



Residential

MORTGAGE OF SOUTH CAROLINA LLC

Via E-Mail

Regs.comments@federalreserve.gov

Re: Docket Number R-1366

I respectfully submit these comments for consideration in the drafting of the new Reg Z (TILA) revisions. While I am not an expert on all things regarding Reg Z I believe my thirty-one (31) years of experience as a mortgage loan officer and manager can provide some practical insights to the proposed changes.

I welcome any reg. Z revisions making the concepts of APR more transparent and easier to understand. Making Reg Z revisions for transparency will always allow the consumer to make informed decisions.

Here are some issues I would ask your attention too

- 1.** The proposed disclosures seem very difficult to produce and the review period adds additional wait time to a loan transaction. More often than not time is of the essence and those delays are actually costly for consumers through additional daily interest charges, penalty periods that are often written into purchase money agreements, or the seller pulling out of the deal all together.
- 2.** We now have several disclosure forms (TILA, GFE, HUD-1) with various definitions, delivery timeframes, re-disclosure requirements and tolerance levels. Some of these mentions requirements will take effect January 1, 2010 and it is unknown how well or how difficult consumers may find these new requirements. It would be more consumer-centric to align these requirements and provide cohesive set disclosures to the consumer.
- 3.** Loan Originator compensation is another area warranting some additional consideration. Loan Officers spend considerable time and resources in their professional development. Limiting compensation limits one's ability to perform the required continuing education requirements as well as seeking additional designations such as but not limited to CLO(Residential Certified Loan Officer), AMP (Accredited Mortgage Professional), and CMB(Certified Mortgage Banker). This does not include the NMLS requirements for additional continuing education and testing many Loan Officers are now required to do. All of these requirements are expensive and the consumer loose under the guise of protection if limits on compensation are in acted.
- 4.** In my 31 years of experience being a Professional Mortgage Loan Officer it has required me to meet with clients on weekends, after hours, work with consumers in resolving their credit issues, counsel with consumers on the best mortgage product available for their needs, maintain the most up to date communication technology, and be available 24/7. I do not remember the last family vacation I have taken where I did not receive phone calls from Consumers with questions, needing additional information, or just generally be

reassured of the steps they are taking. Today's consumer, and frankly the consumer since I began 31 years ago, has always required this of me. Again the consumer loose in guise of protection.

5. In the current compensation structure, the higher the loan amount, the higher the compensation for the Loan Originator, However it also means that in general the high the loan, the higher the income bracket of the consumer and the more experienced consumer. If we move to a flat fee, it is the higher earning segment of the home financing population who benefits. The first time home buyer might actually be faced with higher fees as the income loss of the higher loan amounts needs to be covered across all loans and will need to be compensated with higher flat fees then the actual percent based fee might have been. Again the lower earning consumer looses for the sake of protection.
6. Excellent Loan Officers, like myself, with the experience to guide customers to the best products for their financial needs will exit the market and migrate to other careers affording them income they are accustom to based on their skill set. The mortgage consumers will be left with the remaining mediocrity.
7. The proposed changes regarding steering seem vague and difficult to interpret with any certainty. It would be best to eliminate those changes completely.

Thank you in advance for your time and consideration of the professional in the mortgage industry. True Mortgage Professionals appreciate your efforts and are hopeful our suggestions are taken under consideration.

Respectfully Submitted,

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